

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6066

BILL NUMBER: SB 27

NOTE PREPARED: Jan 11, 2006

BILL AMENDED: Jan 10, 2006

SUBJECT: Alcohol Server Training.

FIRST AUTHOR: Sen. Long

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill requires a person who trains:

- (1) alcohol servers; and
- (2) individuals who plan to train alcohol servers; to hold a trainer certificate issued by the Alcohol and Tobacco Commission (ATC).

The bill also requires:

- (1) a certified trainer to renew a certificate every three years by filing a renewal application form, completing a refresher course, and paying a \$45 fee;
- (2) certain retailer permittees, dealer permittees, or management representatives of the retailer or dealer permittees to be trained not later than 120 days after the date the permittee receives a permit; and
- (3) certain retailer permittees and dealer permittees to ensure that each alcohol server is trained not later than 120 days from the date the alcohol server begins employment. (Current law requires a retail permittee, dealer permittee, or management representative to be trained not later than 90 days after the date the permittee receives the permit and an alcohol server be trained not later than 90 days after the date of employment.)

This bill further requires:

- (1) the ATC to notify retailer and dealer permittees of the certification requirements at the time the permittees renew the retailer or dealer permits;
- (2) the ATC to approve and establish training programs; and
- (3) training programs to provide a server certificate to individuals who successfully complete the program.

The bill allows the ATC to:

- (1) observe training at any time; and

(2) adopt rules to carry out the training and certification requirements. The bill changes the deadline by which permittees and alcohol servers must be trained from January 31, 2008, to January 1, 2009. The bill also repeals a provision concerning certain certification requirements.

Effective Date: July 1, 2006.

Explanation of State Expenditures: This bill will increase the administrative costs of the Alcohol and Tobacco Commission (ATC). P.L. 161-2005 required the ATC to adopt rules to carry out the training and certification requirements for alcohol server training. Therefore, there should be no additional costs incurred from these provisions. The provisions in the bill requiring the ATC to notify retailer and dealer permittees of the certification requirements at the time the permittees renew the retailer or dealer permits will result in new administrative costs to the ATC. The bill also requires the ATC to establish an alcohol server training program. ATC excise officers currently provide a free voluntary training to approximately 3,000 retailers each year.

It is anticipated that the ATC can implement the provisions of this bill through the use of existing staff and resources. The costs may also be offset by the fee established in the bill for trainers to obtain a training certificate.

Explanation of State Revenues: It is estimated that this bill will increase training certificate fee revenue that will be deposited in the ATC's Enforcement and Administration Fund. The bill repeals IC 7-3-1.5-7 (added by P.L. 161-2005) which currently requires that a trainer must be a(n):

(A) nonprofit corporation or organization; or

(B) for-profit corporation or organization that does not have an interest in a permit issued to a primary source of supply, a wholesaler, a retailer permittee, or a dealer permittee;

in order to receive a training certificate. By repealing this section, the bill increases the number of entities or persons that could obtain a training certificate. The bill also sets the fee for a training certificate at \$45. The ATC currently has the authority to set this fee, but the bill takes this authority away from the ATC and sets the fee at \$45. As of January 6, 2006, the ATC reported that they had not set a fee or adopted rules for training and certification requirements for alcohol server training.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Adam Brown, 317-232-9854.